

Dear Form CT-G Filer:

Recent legislation increased the Connecticut income tax rate on income tax payments made by partnerships (or limited liability companies treated as partnerships for federal income tax purposes) filing **Form CT-G, Connecticut Group Income Tax Return**, on behalf of qualified electing nonresident partners (or qualified electing nonresident LLC members) from 4.5% to 5%. This increase is applicable to taxable years beginning on or after January 1, 2003.

Any individual required to make a Connecticut estimated income tax payment in June 2003 is required to pay an amount that is adjusted for the new rate. The required annual payment is the **lesser** of:

- 90% of the income tax shown on the 2003 Connecticut income tax return; **or**
- 100% of the income tax shown on the 2002 Connecticut income tax return, if a 2002 Connecticut income tax return was filed that covered a 12-month period, recalculated by using the “catch-up” income tax rate of 5.25% for the June 15, 2003 payment.

To determine the amount of the June 15, 2003 payment, a partnership (or LLC) is required to multiply the income derived from or connected with sources within Connecticut for each qualified electing nonresident partner (or qualified electing nonresident LLC member) included on **Form CT-G** by 5.25%. This will allow the partnership (or LLC) to “catch-up” for the previous months where the 2003 estimated Connecticut income tax was calculated by using the old 4.5% tax rate. To determine the amount of the September 15, 2003 and January 15, 2004 payments, the partnership (or LLC) is required to multiply the income derived from or connected with sources within Connecticut for each qualified electing nonresident partner (or qualified electing nonresident LLC member) by 5%. See **Informational Publication 2003(10), Q & A on Connecticut Income and Withholding Tax Changes Effective January 1, 2003**, for additional information.

For answers to questions on how to make estimated income tax payments, or on completing **Form CT-G**, call the Department of Revenue Services, Taxpayer Services Division, Monday through Friday at: 1-800-382-9463 (in-state) or 860-297-5962 (from anywhere). Connecticut tax forms are available on our Web site: **www.drs.state.ct.us** or from our Forms Unit at: 860-297-4753. TTY, TDD, and Text Telephone users only may transmit inquiries 24 hours a day, 7 days a week by calling 860-297-4911.

Sincerely,

A handwritten signature in cursive script, appearing to read "Pam Law".

Pam Law
Commissioner